



Commonwealth of Kentucky

CONTRACT

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Record Date:

Issued By: FRAN PINKSTON

Cited Authority: FAP111-44-00

Telephone:

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UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

NUCLEUS BUILDING, 300 EAST MARKET STREET, SUITE 300

LOUISVILLE KY 40202-1959
US

Effective From: 10/10/2016

Effective To: 06/30/2018

Line	CL Description	Due Date	Quantity	Unit Issue	Unit Price	Contract Amt	Total Price
1	Genome Research - HB 303 Funding - FY 2017		0.00		0.00000	1,000,000.00	1,000,000.00

Extended Description

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421793
OFFICE OF THE ATTORNEY GENERAL
700 CAPITAL AVENUE
ROOM 34, CAPITAL BUILDING
FRANKFORT KY 40601
US

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421793
OFFICE OF THE ATTORNEY GENERAL
700 CAPITAL AVENUE
ROOM 34, CAPITAL BUILDING
FRANKFORT KY 40601
US

Effective From: 10/10/2016

Effective To: 06/30/2018

Line	CL Description	Due Date	Quantity	Unit Issue	Unit Price	Contract Amt	Total Price
2	Genome Research - HB 303 Funding - FY 2018		0.00		0.00000	1,000,000.00	1,000,000.00

Extended Description

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Total Order Amount: 2,000,000.00

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MEMORANDUM OF AGREEMENT

Between
Kentucky Office of the Attorney General
 And
University of Louisville

This MEMORANDUM OF AGREEMENT (hereinafter the “Memorandum”) is made and entered into, by and between University of Louisville, with an address of 300 East Market Street, Louisville, KY 40202-1959, (hereinafter “U of L”) and the OFFICE OF THE ATTORNEY GENERAL OF KENTUCKY, a Constitutional Office within the Commonwealth of Kentucky, with an address of 700 Capital Avenue, Suite 118, Frankfort, KY 40601, (hereinafter “Office of the Attorney General”).

W I T N E S S E T H:

WHEREAS, the Office of the Attorney General has undertaken litigation against Janssen Pharmaceuticals, Inc. in connection with their marketing of prescription medications to the Commonwealth and its citizens and has reached settlements in the lawsuit;

WHEREAS, the General Assembly of the Commonwealth in the 2016 Regular Session, HB 303 directs for One Million Dollars (\$1,000,000) in each year of the 2017-2018 biennium to be transferred to University of Louisville for genomics research in conjunction with Medicaid.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the receipt, mutuality, and sufficiency of which is hereby acknowledged by the parties hereto, U of L and the Office of the Attorney General agree as follows:

SECTION 1. OBLIGATIONS OF THE OFFICE OF THE ATTORNEY GENERAL

The Office of the Attorney General covenants and agrees to undertake the following obligations:

With the execution of this Memorandum, the Office of the Attorney General agrees to disburse One Million Dollars (\$1,000,000) in fiscal year 2017 and One Million Dollars (\$1,000,000) in fiscal year 2018 to U of L to fund and administer the programs specifically identified in Section 2.

SECTION 2. OBLIGATIONS OF UNIVERSITY OF LOUISVILLE

U of L covenants and agrees to administer the funding for the following Programs through either its departments or by contract or grant with an external entity. In any instance where U of L contracts or grants with an external entity to administer Programs under the terms of this Memorandum of Agreement, U of L must execute a written agreement with the external entity that is subject to the approval of the Office of the Attorney General. No funds shall pass from U of L to any external entity for Program administration unless and until the Office of the Attorney General, in writing, reviews and assents to the terms of the written agreement between U of L and the external agency.

U of L will submit reports semi-annually to the Office of the Attorney General on the expenditure of the funds in order to help the Office of the Attorney General assess the impact of the award. In any instance in which U OF L enters into a written contract or grant with an external entity pursuant to this Section III, the external entity shall also

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submit semi-annual written reports to the Office of the Attorney General consistent with this paragraph.

U OF L covenants and agrees to administer, Two Million Dollars (\$2,000,000) of the Commonwealth of Kentucky's share of the Settlement only to genomics research in conjunction with Medicaid. No expenditure of these funds shall be made which is inconsistent with this purpose, which was outlined by the General Assembly in HB 303.

SECTION 3. MUTUALITY OF OBLIGATIONS

- A. The Office of the Attorney General and U OF L agree that the obligations imposed upon each are for the benefit of the Office of the Attorney General and U OF L and that the timely fulfillment of each and every obligation in accordance with this Memorandum is necessary. The failure of a party to fulfill its obligations under this Memorandum or the failure of any event to occur by the date established by this Memorandum shall constitute a breach of this Memorandum unless the fulfillment of such obligation is waived or modified by written agreement of the parties.
- B. Except as may otherwise be provided herein, each party to this Memorandum shall be solely responsible for any costs incurred in fulfilling its obligations under this Memorandum, and no party shall have any claim against any other party for reimbursement of such costs, whether or not any party is in default.
- C. Waiver by either party of performance by the other party of any of the provisions of this Memorandum shall not be construed as a waiver of any further right to insist upon full performance of the terms of this Memorandum.

SECTION 4. MISCELLANEOUS PROVISIONS

Duration of Contract:

This contract is effective upon approval and shall be renewed on a biennial basis until such time as U OF L has expended all of the \$2,000,000 transferred from the OAG.

Funding Out Provision:

The OAG may terminate this contract if funds are not appropriated to the contracting agency or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The state agency shall provide the contractor thirty (30) calendar days written notice of termination of the contract.

Reduction in Contract Worker Hours

The Kentucky General Assembly may allow for a reduction in contract worker hours in conjunction with a budget balancing measure for some professional and non-professional service contracts. If under such authority the agency is required by Executive Order or otherwise to reduce contract hours, the contract will be reduced by the amount specified in that document.

Access to Records

The state agency certifies that it is in compliance with the provisions of KRS 45A.695. "Access to contractor's books, documents, papers, records, or other evidence directly pertinent to the contract." The contractor, as defined in KRS 45A.030(9) agrees that the OAG, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence,

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received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884.

Effective Date:

This Memorandum shall be effective as of the date first written above and shall terminate upon completion of the obligations by the respective parties. All Memorandum of Agreements are not effective until the secretary of the Finance and Administration Cabinet or his authorized designee has approved the contract and until the contract has been submitted to the government contract review committee. However, Memoranda of Agreements \$50,000 or less are exempt from review by the committee and need only be filed with the committee within 30 days of their effective date for informational purposes only as provided under KRS 45A.700.

KRS 45A.695(7) Payments on personal service contracts and memoranda of agreements shall not be authorized for services rendered after government contract review committee disapproval, unless the decision of the committee is overridden by the secretary of the Finance and Administration cabinet or agency head, if the agency has been granted delegation authority by the secretary.

Violation of tax and employment laws

KRS 45A.485 requires the contractor to reveal to the Commonwealth, prior to the award of a contract, any final determination of a violation by the contractor within the previous five (5) year period of the provisions of KRS chapters 136, 139, 141, 337, 338, 341, and 342. These statutes relate to the state sales and use tax, corporate and utility tax, income tax, wages and hours laws, occupational safety and health laws, unemployment insurance laws, and workers compensation insurance laws, respectively.

To comply with the provisions of KRS 45A.485, the contractor shall report any such final determination(s) of violation(s) to the Commonwealth by providing the following information regarding the final determination(s): the KRS violated, the date of the final determination, and the state agency which issued the final determination.

KRS 45A.485 also provides that, for the duration of any contract, the contractor shall be in continuous compliance with the provisions of those statutes which apply to the contractor's operations, and that the contractor's failure to reveal a final determination as described above or failure to comply with the above statutes for the duration of the contract, shall be grounds for the Commonwealth's cancellation of the contract and the contractor's disqualification from eligibility for future state contracts for a period of two (2) years.

Notice

All notices, requests, demands, waivers, and other communications given as provided in this Memorandum shall be in writing, and shall be addressed as follows:

If to U of L:

Judy Bristow, Director
Sponsor Programs Administration
University of Louisville
300 East Market Street
Louisville, KY 40202-1959

If to the Attorney General:

Attorney General Andy Beshear
700 Capital Ave.
Capitol Building, Suite 118
Frankfort, KY 40601

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In WITNESS WHEREOF, U OF L and the Office of the Attorney General have executed this Memorandum effective as of the date first above written. This contract is subject to the terms and conditions as stated. By affixing signatures below, the parties agree that electronic approvals may serve as electronic signatures. In addition, those signing below verify that they are authorized to bind their agency by executing this Memorandum.

Section 5. Approvals

This contract is subject to the terms and conditions as stated. By affixing signatures below, the parties agree that electronic approvals may serve as electronic signatures. In addition, the parties verify that they are authorized to bind this agreement between parties and that they accept the terms of the agreement.

Office of the Attorney General:

Holly McCoy-Johnson Director, Office of Administrative Services

Printed Name Date

University of Louisville:

Judy Bristow Director, Sponsor Programs Administration

Printed Name Date

Approved as to form and legality:

Attorney